Transforming the citizen experience
One Stop Shop
for public services

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"We intend to put people first in a new public sector customer service culture, and transform the way citizens – the customers of state government – can maximise their own opportunities and choice, as individuals, parents, investors, employers and employees."

– Barry O'Farrell
  NSW Premier "Starting the Change – Transforming Customer Service in NSW" Address to CEDA
  12 November 2010

Getting it right: putting the citizen first

Reforms in the public sector aimed at improving service delivery have received considerable focus over the last decade, both within Australia and globally. Driving this focus is an increased demand for governments to find ways of improving the efficiency and effectiveness of its service delivery. Delivering on these demands is prompting governments to adopt citizen-centric service delivery models which can significantly improve the customer experience, by delivering outcomes based on citizens' needs, expectations and preferences, in addition to outcomes through enhanced service levels at the same or reduced cost.

Why focus on service delivery?

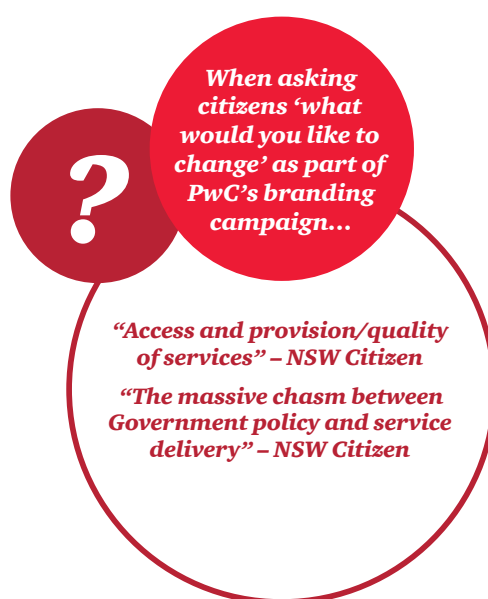A number of key driving forces exist on governments' agenda to address the issues of public service delivery:

- *Greater citizen awareness and expectations:* Citizens today are more aware of their rights to access information about public services and have higher expectations of service levels and service experience. Consequently, citizens are increasingly demanding the same levels of service delivery accustomed to in the private sector namely "make it easy for me", "give me choice", "deliver me outcomes"
- *Budgetary constraints:* tighter budgets and the need for value for money in return for taxes citizens pay
- *Global competition:* public sector efficiency is regarded as a key factor in evaluating investment decisions, hence global competition for investments are a means for economic growth is also driving the agenda for public service delivery

Fundamental to the public sector's response to these change drivers is the need for governments to evaluate its role as a 'policy maker', a 'regulator' and a 'provider' of public services. Greater clarity over each of these roles that will help pave the way to public sector service transformation.

Improving the citizen and customer experience

In beginning the journey toward improving the citizen and customer experience, it is critical public sector organisation listen to their citizens and customers, understanding who they are, the interactions that they have and their awareness, needs, preferences, expectations and satisfaction across these interactions.

The citizen and customer experience is influenced by the interactions and experiences that they have. Governments interact with members of the community as both citizens and customers. For example while a customer may have a positive transaction experience at a government service centre which may be as infrequent as twelve months, the reality is that members of the public use the infrastructure and are subject to the policy and enforcement which governments administer on a daily basis and hence are strong commentators on the performance of their governments. In developing an approach to improve service delivery it is essential governments recognise these inter-linkages.

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When asking citizens 'what would you like to change' as part of PwC's branding campaign…

"Access and provision/quality of services" – NSW Citizen

"The massive chasm between Government policy and service delivery" – NSW Citizen

Transforming service delivery through a 'One Stop Shop'

Meeting these challenges is prompting the public sector to explore new sustainable models for service delivery – models that can significantly improve customer experience and outcomes through enhanced service levels at the same or reduced cost. The solution lies in developing citizen-centric models that draw inspiration from the relative success with which the private sector has addressed the situation. These examples keep the customer at the core of every decision, from strategy formulation and design through to execution. The development of citizen-centric models calls for customer insight, looking at customers' wants and needs (both demographic and attitudinal), in a holistic manner – distinguishing means and ends, focusing on improved customer journeys and measurable benefits, and understanding the strategic risks associated with various service delivery models.

In rising to the challenge, public sector Departments or Agencies across the globe are increasingly adopting a *One Stop Shop* citizen-centric service delivery model. The concept of *One Stop Shops* is to enable citizens and customers a single access point to information and service transactions. Key elements which these and other governments have sought to address in the design and delivery of a customer centric model include:

1. *Speed* – the time taken to deliver a service should be the shortest possible for both the customer and the agency while still ensuring outcomes are delivered right the first time

2. *Engagement* – the way in which services are delivered should be seen as citizen-centric

3. *Responsive* – there should be an 'intelligent' mechanism in place to address any variation in meeting service levels and drive any changes required

4. *Value* – the customer needs to believe that the *One Stop Shop* is cost effective, and value is driven by customer outcomes, not agency or department processes

5. *Integration* – a *One Stop Shop* should be seamlessly integrated, there should be no 'wrong door' policy for the customer

6. *Choice* – there should be multiple channels for service delivery, so that customers can have 'channels of choice', depending on specific needs at specific times

7. *Experience* – personalisation of service is necessary to ensure that customers' experiences are on a par with what they are receiving in the private sector

For example in New York, the NY 311 One Stop Shop model allows citizens to dial one single number 24 hours a day and speak to a customer service agent in over 180 languages about some 7,000 elements of New York City; in Hong Kong citizens can now log onto HKGov.org to access frequently-sought Government information from over 200 government websites and some 1200 e-government services; in the UK citizens can complete transactions end-to-end through the direct.gov.uk portal which provides citizens information and transactional services through a mixture of 16 topic-based and demographic based service clusters.

Structure of the Paper

This paper is closely structured around five principles of a customer centric *One Stop Shop*, while using global examples to illustrate the diverse ways in which public sector Departments or Agencies are responding. The second section moves through high level operating model design and implementation considerations when the time comes to designing, constructing and implementing a new service delivery model.

Through our work with the public sector Departments or Agencies in Australia and across the world that have successfully embarked upon such transformations, we have developed a clear point of view and charted a certain consistency of approach. This paper draws upon our experience of working with these Departments or Agencies as well as lessons learned from global citizen-centric public sector service delivery transformation.

> *"I know what our public services can do and how they are the backbone of this country. But I know too that the way they have been run for decades – old-fashioned, top-down, take-what-you're-given – is just not working for a lot of people. Ours is a vision of open public services – there will be more freedom, more choice and more local control. Wherever possible we are increasing choice by giving people direct control over the services they use..."*

– David Cameron
British Prime Minister
July 2011

Core Principles of a One Stop Shop

Both in Australia and across the world we believe there are significant opportunities to improve the customer experience and reduce cost to serve by transforming the way governments deliver services through a *One Stop Shop*. We believe there are five key guiding principles of a citizen-centric *One Stop Shop*; namely:

1. *Listen to your customers*
2. *Break down the silos*
3. *Enable a multi channel service experience*
4. *Continuously improve through customer feedback*
5. *Set customer centric service standards*

Listen to your customers

Understanding a Department or Agency's customer base is a prerequisite in being able to deliver services to meet their needs in the way they want them delivered. Private sector organisations have successfully embraced and delivered on better understanding their customers, providing the public sector with key lessons and success factors which should be adopted in developing a citizen-centric *One Stop Shop* model. In general, government policies have traditionally been internally focused. In the absence of truly understanding their citizens, public sector Departments or Agencies have traditionally left citizens with a model of things being "done to them" rather than "with them". Not only does this exacerbate a noncitizen-centric culture but it fundamentally inhibits the achievement of outcomes for citizens which it exists to serve. To understand customer's awareness, needs, expectations and preferences a number of techniques are available to public sector Departments or Agencies including voice of the customer research, touch point journey mapping and customer segmentation.

Voice of the Customer

Voice of the customer research is critical in understanding customer awareness, needs, expectations and preferences. Engaging and having citizens participate in designing a *One Stop Shop* through voice of the customer research (such as surveys and focus groups) enables citizen ideas and perspectives to included be in a citizen-centric service delivery model.

At a national level in Australia, the Australian Public Service Blue Print for Reform has highlighted the need to understand and engage with citizen, recommending that both Australian and State, Territory and even local councils conduct "a citizen survey to collect feedback on citizen's satisfaction with government service delivery[1]". At a State level, the NSW Department of Premier and Cabinet undertook in 2008 Australia's first large-scale study of the drivers of satisfaction and dissatisfaction with a diverse mix of State Government services, however few subsequent surveys to track changes and identify areas for improvement have been undertaken. It is evident that services that are designed by citizens themselves are much more likely to be responsive to their needs than ones directed from a government department. Involving citizens in the design and delivery of public services by engaging in voice of the customer research sends a strong, proactive message that their views and opinions matter and has been found to engender trust and confidence in a government.

Touch point mapping

Public sector organisations plays a number of roles including setting and administering policy, enforcement, customer service, operational delivery, efficiently and effectively undertaking design, development and maintenance of infrastructure. From the point of view of the customer, this can manifest itself in a number of ways. It can result in a lack of clarity of objectives, apparent conflict of objectives and the proliferation of touchpoints that are structured around complex siloed functions rather than the customer themselves. Understanding how the community and customers see a public sector organisation and its operating units is critical to understanding their experience. A structured approach to touch point mapping can provide this information that will enable a complete understanding of their experience.

1 APS Blueprint for reform Ahead of the Game 2010 pix

Individual touch points will have varying levels of impact on an individual community member's overall perceived satisfaction with government. Touch points can be interactions that will have points of satisfaction or dissatisfaction. Analysing these touch points and the drivers of satisfaction and dissatisfaction, while balancing importance, will enable the public sector to focus efforts to achieve the greatest positive impact on customer experience.

Using customer insight to inform effective customer segmentation

Segmentation for the purposes of improving the customer experience in the public sector is just as important as the private sector. However unlike the private sector, where the organisation is at liberty to define its customer segments, the public sector is required to service a number of diverse customer segments. In addition to this, unlike the private sector, where customers are treated differently according to their capacity to pay for services, the public sector is required to satisfy the rights of its entire customer base – equally and to acceptable standards. It is therefore essential to develop clear strategies for ensuring the inclusion of all the segments of society as well as meeting their needs. The needs of these various segments can be quite distinct and will be driven by multiple factors. From our experience, like segments in the community have similar awareness, expectations, needs and drivers of satisfaction. Demographic, additudinal and needs based variables can be analysed to understand the best predictor of these elements. Segments should be meaningful (does the variable explain differences in important citizen/customer needs, expectations, satisfaction levels and preferences?) and actionable (can the public sector organisation attribute citizen/customers to segments based on these variables and develop a strategy to better meet citizen/customer needs?) Understanding this is critical to the development and implementation of a citizen-centric service delivery strategy.

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HKGov – Hong Kong Government's, HKGov, *one stop shop* has taken a service clustering approach where different information and services are grouped into clusters (e.g. environment, transport, education) for easy access by various user groups (residents, business & trade, non-residents, youths). The site is designed to be highly outcome orientated and includes features such as "I Want To …" sections embedded in the main and cluster pages such that users segments are able to reach popular information and services for them easily.
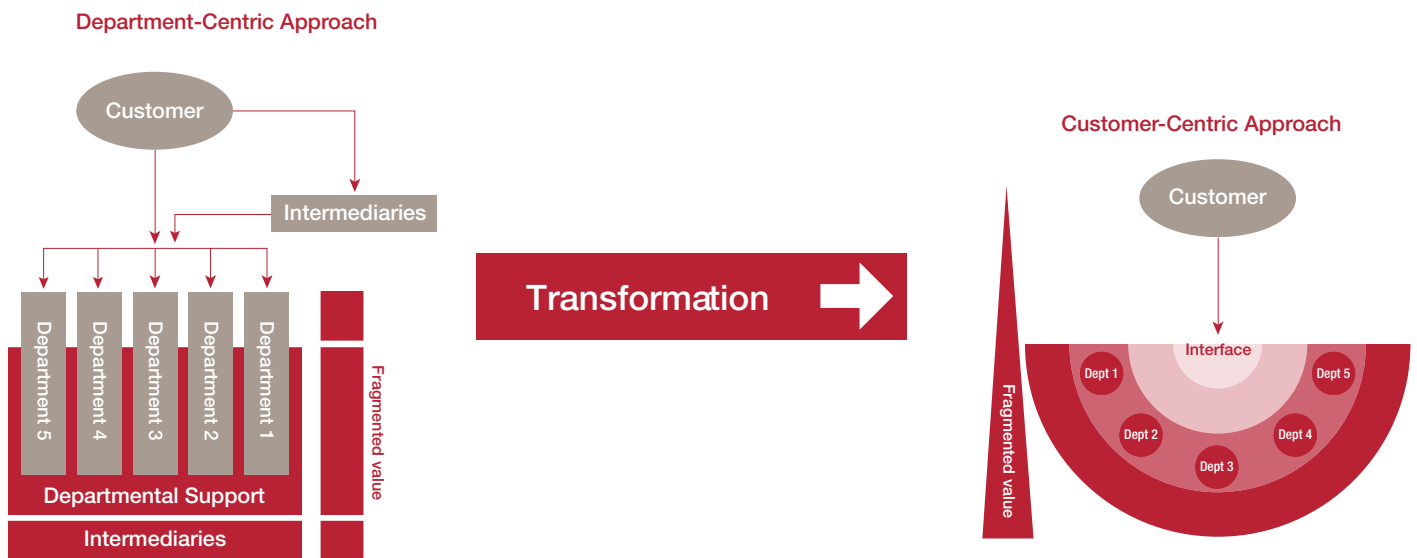
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Break down the silos

While the customer should sit at the centre of public sector transformation, the design and delivery of a *One Stop Shop* needs to take into account the way in which public sector Departments or Agencies are generally structured; namely hierarchical and siloed. This siloed structure of government creates service efficiency and effectiveness issues across all stakeholder groups. For the customer, the siloed structure of public sector Departments or Agencies means customers are often left joining-up between agency silos rather than the customer seeing a single organisation who is working for them. For the public sector organisation the siloed structure tends to create a territorial mentality inhibiting cross-agency collaboration, inter-agency mobility, and leads to a narrow perspective of citizen needs. In turn the lack of data sharing across services, agencies and customer channels due to various structural, cultural and technology challenges results in duplicated processes and higher cost structures. A significant challenge facing public sector organisation in becoming truly citizen-centric is successfully breaking down the silos to create a 'connected government'.

When seeking to break down hierarchical structures, emphasis should be placed on how to make agency silos more networked, rather than abandoning them altogether. In such, while this is no simple task, it does not imply that a complete government restructuring is required. Instead it means addressing the silos which exist within individual public sector Departments or Agencies integrating them to form what we refer to as a 'connected government'.

A connected government means the seamless integration, or joining up, of various agencies to provide services which are aligned to the complete customer journey – and not to the dictates of agency silos. In moving towards a connected government, the pace and order of change are both key factors. In line with a customer centric approach, the optimal route is to start with understanding customer needs – redesigning the front office to interact effectively with the customer and realigning the back office to effectively deliver through the front office, before attempting to address the integration of individual agencies and departments. This approach allows multiple public sector agencies to come together to service customers blurring the agency silos without affecting agency structures.

Department-Centric Approach

Customer

Intermediaries

Department 5 | Department 4 | Department 3 | Department 2 | Department 1

Fragmented value

Departmental Support

Intermediaries

Transformation →

Customer-Centric Approach

Customer

Fragmented value

Interface

Dept 1 | Dept 5 | Dept 2 | Dept 4 | Dept 3

Source: Adapted from PwC

In building a successful connected government strategy, we believe there are 4 key elements a public sector organisation should consider, namely:

1. *Visible leadership at a strategic level* – Essential to having robust commitment to change at the highest organisational level to drive buy-in from. Commitment ensure clarity of goals

2. *Common goals for a connected government (service standards)* – Implementing and adhering to specified service standards enables seamless integration of various government agencies by ensuring dynamic and uniform information and process flows, as well as better customer journeys

3. *Focus on front end of public service delivery* – Given ultimate objective of connected government takes time, process through which it takes place should be seen as incremental – not dramatic. Focus should first be placed on improving front-end service delivery capabilities, before tackling back-end processes. Integration of front-line services has a visible impact on the customer and also aids in the rapid realization of benefits

4. *Enable regulatory and legal framework* – Legacy technology interfaces and privacy laws can inhibit connected government. Upfront investment may be need to ensure processes are satisfactorily re-engineered. Need to enable regulatory and legislative framework, together with supporting budgets for cross agency transformation

What do customers really value?

Service Ontario	New York 311	Service Canada
Canada has been a global leader in experimenting with new organisational structures that break down the walls of traditional hierarchical silos. A number of provinces in Canada have created new 'retail Departments or Agencies' which have assumed responsibility for transactional services.	New York 311 one stop shop model, the Agencies Service department within the Mayor's Office of Operations is being used to break through existing agencies silos to ensure the right links are made whenever a project requires a multi-agency response to achieve a particular outcome.	Service Canada presents a seamlessly integrated public services to its citizens regardless which jurisdiction or central government silo is responsible for delivering a service. To enable this Service Canada has formed a bilateral agreements with Service Ontario to provide a single point of access to a range of federal government services. As a result, Service Canada shares internet links between federal and provincial services online as well as co-locating a number of front offices in some parts of the province. Such agreements are critical in facilitating future collaboration and gives citizens greater access to government information and services.
Service Ontario is an example of a one stop shop geared to providing routine government information and services to its citizens in convenient and user-friendly ways. Breaking down the silos has enabled driver and vehicle licences, outdoor cards, health card, and replies to general enquires delivered through a variety of channels, including publicaly-accessible terminals, via telephone, the internet, mail and face-to-face.	The main role of the Agencies Service department is to assist in institutionalising the ways agencies work collaboratively together by helping define where accountability for outcomes rests. For example Agency Service held a Street Defect Summit for the two agencies responsible for New York city street conditions (the Department of Environmental Protection and the Department of Transportation). The summit enabled the two agencies to come together to define all possible types of street defects which were then captured within a Street Defect Glossary. This marked the starting point for getting both agencies to work together to define accountability by deciding who would respond to each type of street defect.	Key to the success of this partnership approach is a robust governance structure. Issues such as accountability, authority, data sharing and privacy have been outlined in the Memorandum of Understanding between the two public sector organisation. In addition a join executive committee meets monthly to look at all operational issues based on feedback and performance measures.
	As a result there is clear accountability and the agencies can be clearly evaluated against the street defects it is accountable for fixing.	

Enable a multichannel service interface

Citizen needs, expectations and preferences are being shaped by their experience in the private sector and consequently, citizens are increasingly demanding the same level of channel choices when interacting with the public sector organisation. Communication between an organisation and its customers has always been the foundation of good customer service. However, today customers expect customer service to be accessible anytime, anyplace – and by whatever means of communication they prefer.

NY 311 – The 311 model provides a 'virtual' agency for one stop shopping, initially implemented through 24/7 single number 3-1-1 call centre and later online through nyc.gov. Today residents can call 3-1-1 at any time and speak to a customer service agent in up to 180 languages to assist them with over large range of services. To enable quick responses, customer service agents have access to a comprehensive repository of information on over 6,000 aspects of the NY government. Averaging 30,000 calls a day, an anticipated 10m calls a year.

Channels provide a means for public sector Departments or Agencies to deliver services to citizens and for citizens to access government through a variety of communication and delivery methods (e.g. mail, telephone, face-to-face, online, mobile, SMS, fax and kiosks). In designing a channel strategy for public sector Departments or Agencies, care should be taken not to force customers in any one direction. Because of the diversity for their customer base, public sector Departments or Agencies need to focus on creating multiple delivery channels, so that customers can have 'channels of choice', depending on specific needs at specific times.

Providing channel options to meet identified segment preferences can provide significant benefits for both public sector Departments or Agencies and their customers. For customers, multi-channel service delivery options drive customer satisfaction by enabling flexibility for customers in how, when and where they access government services.

For public sector Departments or Agencies, engaging and communicating with citizens through their natural channels such as Web 2.0 and online social networks has enables quick, direct and cost effective method to engage with their citizens. An additional benefit for public sector Departments or Agencies is the ability to migrate high volume simple transactions to self service channels (e.g. kiosks, online), inevitability freeing up public sector staff capacity enabling significant cost savings to be realised. Departments or Agencies are then able to focus on more complex, high involvement transactions as well as those segments with greater need for mediated service delivery (e.g. face-to-face, telephone).

The challenge facing public service providers span across customer access channels, resulting in a poor and inconsistent customer experience at significant cost to the organisation:

Telephone	Digital	Face to Face
Low levels of service fulfilment and lack of front line empowerment	Websites are not yet good enough to support the major shift to self service required to mitigate the impact of coming budget cuts	Face to face access points are not configured to meet the needs of customers
Limited or poor use of multi-skilling with no service bundling or correlation in design leading to an indifferent and inefficient customer experience	Limited or no alignment between digital channels and traditional telephone and F2F channels (Process is different and in some cases the information is conflicting across channels)	Legacy face to face access points often do not generate enough traffic to justify their existence.
Badly designed and inconsistent hand-off process between front office and core services	Lack of or no roadmap or vision for a digital channel strategy	
Duplication in Customer contact handling		
Inefficient and fragmented customer contact processes: 8% of staff time is spent on customer contact		

Some public sector Departments or Agencies have addressed these challenges by putting in place institutional structures designed to empower citizen-centricity. One such example is the Institute of Citizen-Centred Services in Canada. Canadian public sector leaders attach a high premium to understanding citizens' preferences regarding service access channels, desired levels of quality and cost. This has had a significant impact on Canadian service improvement initiatives, leading to the development of channel strategies designed to encourage customers to access particular kinds of services in particular ways.

This, in turn, provides the basis for service-level guarantees and predictable cost structures, meaning that these Departments or Agencies have the information they need to steer customers towards the lower-cost channels, while still meeting their needs.

Acceptance and usage of new service delivery mechanisms including online and alternative channels will only be realized if supported by awareness campaigns, in which messaging and communications cater to specific needs of various segments and are customized accordingly.

Social media has the potential to enable public sector Departments and Agencies to engage with citizens across alternative channels. Social media is offering a scalable way to co-create, inform and engage with citizens. The high level of engagement is due to citizens selecting to opt in and are subsequently enabled to engage and have a two-way conversation.

Social media is immediate and allows public sector Departments and Agencies to proactively push out large volumes of information to large numbers of people via a trusted source. In addition, it can be used to obtain feedback and involve the online community to continuously make improvements in reduced timeframes.

When done well, social media can create a collaborative dialogue with a very large, but very specific audience – one person at a time. And, it's successful because it breaks down formal barriers. While social media should not replace face-to-face communication, it can enhance the overall customer experience and create scalable ways to engage with customers and citizens fostering an environment of co-creation.

Queensland Police Service – Social media in times of disaster	New and social media at an Australian Government department	The "Seoul" of Citizen Engagement in Policy Making
The Queensland Police Service (QPS) have established a best practice example of the use of social media by a government department for both engaging with the public, and informing frontline colleagues in times of a disaster. In addition to issuing regular media releases to the mainstream media and uploading these releases to the QPS website, the QPS began to add these media releases to the QPS Facebook page and link to these on Twitter. When Category 1 Cyclone Tasha struck on Christmas Day 2010, there was a significant spike in the number of people following the QPS social media accounts, with numbers more than doubling in two weeks. Following subsequent flooding in January 2011, the number of 'likes' on the QPS Facebook page increased from 17,000 to 100,000. The QPS social media strategy centered on public communications and community engagement issues in one of the most difficult periods of natural disasters in the history of Queensland with more than 90% of the state disaster-declared. Social media enabled the QPS to communicate directly with the people of Queensland which helped them to become more effective in supporting and serving the needs of the community. *Source: Queensland Police Service – Disaster Management and Social Media – a case study*	This Government department needed to understand the current capability of their online channel, including web and social media channels and define the priorities to enhance online service delivery over the next 3 years. The department required a high level strategic review of their online presence and the use of social media that included the identification of the desired online customer experience, governance requirements to support the management of content/information, effective use of social media, and enabling technologies required to do it 'right'. Recommendations and quick wins were made by PwC on specific social media channels that could be utilised to target specific internal and external customer segments. However, in order to be operationalised, there was a need to undertake a number of programs of work establishing a well informed customer and channel strategy, and underlying online channel capability. The development of the implementation roadmap allowed the department to prioritise their future investment into the online channel. *Source: PwC*	OASIS, an online suggestion platform was launched in 2006 by the Mayor of South Korea as an initiative to 'enhance creativity and imagination in administration' together with citizens as active participants in government policy and decision making. The new portal was opened up to the 10.3 million citizens of Seoul who were encouraged to participate in policy and decision-making processes by engaging in open discussion with local government officials. More than 4.25 million citizens visited OASIS, submitting 33,737 ideas (about 1,050 ideas per month on average). Ideas and suggestions are evaluated and assessed before being examined by top levels of city government to develop ideas into policies. The ideas are then discussed at a live public meeting bringing together over 200 people including the initial provider of the idea in addition to citizen committee members, nongovernmental organisations, external experts, citizens and the city's top officials. The meeting is chaired by the mayor and broadcast over the internet. As at May 2009, m ore than 75 ideas had been adopted through the OASIS program, with more than 55 of them completed and implemented. OASIS enables continuous administrative reform, enhancing the image of civil servants and improving citizens' trust in government at large. *Source: The Power of Co-creation – Venkat Ramaswamy and Francis Gouillart, 2010*

Continuous improvement through customer feedback

Customer feedback is a powerful tool, not only for understanding customers' experience and satisfaction with public services, but also for developing strategies to improve those services. Despite this, customer feedback has traditionally been under-utilised by public sector Departments or Agencies. For public sector Departments or Agencies, the lack of customer feedback can be a source of major operational risk, as well as severely hinder their continuous learning capabilities. As a result any *One Stop Shop* model should ensure an ongoing, iterative approach to incorporating customer feedback into service design, processes and customer interfaces.

Proactively seeking and using customer feedback from both customers and font-line staff, public sector Departments or Agencies can ensure that service improvement strategies focus on those areas that will make the greatest positive impact on the customer experience. Indirect feedback for example, monitoring trends and volumes over time in order to identify systemic issues, can also provide valuable customer insight which public sector Departments or Agencies can use to proactively improve customer experience.

In addition, public sector Departments or Agencies can leverage greater engagement with their citizens through customer feedback, helping them deepen the relationship between the public sector and citizen. This approach has been successfully implemented within the private sector, for example Apple gathers customer insight for its own use as well as the customer community, by encouraging users to rate iTunes content. Customer feedback drives higher levels of engagement through participation and the usefulness of the resultant content. Similar strategies are equally applicable and available to the public sector to drive stronger engagement and relationships between governments and their citizens. For example a online channel provides the opportunity for users to contribute content, rank usefulness of services, provide service feedback and give recommendations for other users to try a particular service.

Set Customer Centric Service Standards

Rising demand for better standards of governance in the private sector have spurred initiatives aimed at improving disclosure and corporate governance. In particular, heightened customer awareness has driven demand for greater accountability and transparency, forcing public sector Departments or Agencies to respond in a positive manner. One of the ways in which this can be achieved is through the passing of legislation setting out the customer's right to information and service standards that are mandated by law. This provides positive evidence of the public sector's desire to place its customers in a central position and assists in driving citizen trust and belief in public sector Departments or Agencies.

A successful example in embracing this path is the *New York City 311 One Stop Shop* model which has embedded the themes of transparency and accountability in the way it delivers services to its citizens. In this model, technology has enabled increased accessibility to government services, citizens are able to obtain information and services through an easy to use, simplified navigation system To achieve transparency, there is increased visibility of operations (e.g. agency scorecard performance, update status of service requests). Performance information is used to improve service levels and hold agencies accountable for achieving targeted service levels and hold agencies accountable

Setting, measuring and enforcing citizen-centric service standards for public sector Departments or Agencies enables the evaluation of the public sector on customer metrics which have not hitherto formed part of public sector Key Performance Indicators (KPIs). In setting and measuring service standards, it is important public sector Departments or Agencies recognise and establish service levels appropriately to each customer and their transaction. For example for certain routine requests, many customers prefer an automatic, but easy to obtain and accurate response, whereas the same customer faced with complex transaction may demand a more personal, relationship-based approach. Key to balancing these service levels is public sector Departments or Agencies analysing information requests, such as high frequency requests and analysing the degree of personal response required for each category of request.

The *Canadian Governments of Ontario and Alberta* has been particularly successful in two predominant methods for setting and measuring service standards. The first approach to setting and measuring service standards focuses on the operational aspects of service delivery. This is the approach used by the Government of Ontario where standards exist for everything from the maximum number of times a telephone should ring before a call is answered to the length of time a client should wait in line at a service counter. This method uses the public's service expectations as measured in 'Citizen's First' to both establish and meet performance targets. The second method uses the measure of client satisfaction to determine how successful the organisation is at meeting the needs of its clients. The Service Alberta model, for example, sets service standards for each of the main drivers of service satisfaction, namely timeliness, courtesy, knowledge fairness and outcome. From there, the percentage of each citizen who expresses satisfaction with each of these drivers is measured, and the overall level of success is calculated.

Operating Model Design

Current pathways of access to government services vary between States and Territories, and across Departments and Agencies. There are multiple pathways for citizens to access services today, but there has been limited success in providing citizens with clear pathways for finding out about, and obtaining assistance with navigating the community system, especially if citizens require a range of services to meet their needs. For citizens, the various systems and points to access government services can often be confusing, unclear and complex to navigate, perceived as a maze of pathways to obtain the right information.

There is recognition across all levels of Government that these issues should be addressed. In NSW, Barry O'Farrell's recent speech at the *CeBit Technology Show (2011)* on the government's service delivery strategy, he sets out how his government plans to build a portal that rationalises the more than 300 websites operating across the NSW government, leveraging global best practice concepts. He also mentions leveraging Fair Trading stores and motor registries to serve as physical one stop shops for conducting any form of state government business from obtaining fishing licences to extracts of birth, death or marriage certificates.

Similarly, the *APS Blueprint for Reform (2010)* recognises the need to deliver better services for citizens across the whole of government, and outlines reforms to deliver on this promise by providing citizens with better integrated services appropriate to their life experiences and needs. This includes opportunities for new and aligned technological solutions, better models for partnering with the community and private sectors and improved links with the States and Territories and local government through co-location to provide a coordinated interface with other levels of government.

The recent *IPAA Policy Paper on 'The Future Course of Modern Government' (2011)* outlines the next wave of public sector reform to be formed around distributed systems, rather than centralised structures enabling the role of the citizen to change from a passive recipient to active contributor in the development of policies and improved public services.

The *Government's Web 2.0 Task Force Report* advocates that Agencies should experiment with "crowdsourced" and social networking methods for better input by staff and service users for service design and policy innovation and explore new models of accountability for more open and networked models of government and public policy.

The aim of the *One Stop Shop* is operationalise these concepts by developing and implementing streamlined and improved ways for citizens to access information and transact with government Departments and Agencies in a streamlined manner. This includes easy identified points of contact, streamlined approach to management of information and for service providers, simplified administration arrangements and improved coordination and managed transition between transactions.

Too many customer service programs focus on systems and technology with limited tangible impact on the customer, failing to fix the processes, interactions or experiences that directly impact on the way the customer feels about the organisation. All too often, organisations try to change certain aspects of their front office (e.g. contact centre capability, web self service, upgrading access points or technology) but these take place in isolation. Customers view the organisations they interact with as a singular entity; all front office and customer facing services need to reflect this in reality through an improved and standardised approach in dealing with customers. PwC's experience of working with these organisations has consistently shown that the best way to achieve such benefits (both financial and customer related) is to adopt a holistic approach to Front Office Transformation.

We have found that the issues associated with customer contact across Government aggregate up to four core challenges to manage when designing the new operating model of a *One Stop Shop*:

Step 1: Remove inefficiency and inconsistency across the service value chain

Step 2: Migrate high volume, transactional interactions to self service platforms

Step 3: Rationalise inefficient face to face access points
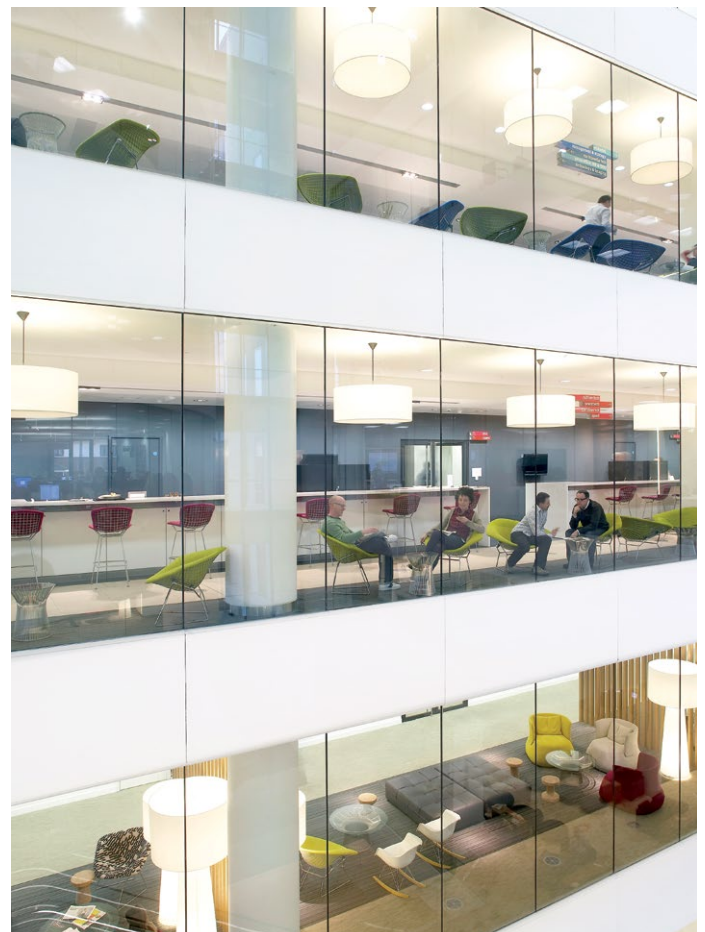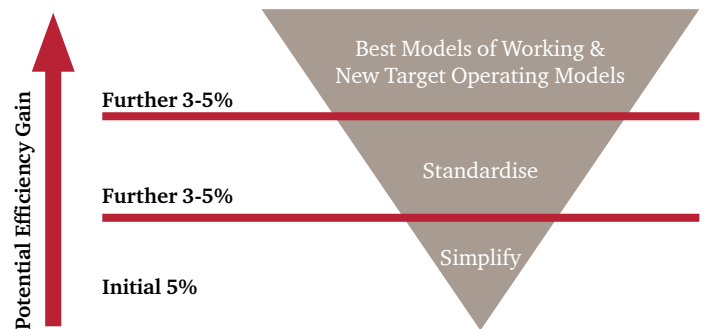
Step 4: Improve customer experience

Step 1: To deliver better customer experiences and more efficient Departments or Agencies it is critical to Simplify, Standardise and Share activities that take place across the organisation. The full benefits of transformational change can only be achieved if this approach is taken for all key business processes across the service value chain:

- *Simplification*: Ensure that processes, polices and protocols are simple to understand, follow and execute.

- *Standardisation*: Adopt the same simple, lean processes to drive out efficiencies of approach and avoid the need for technology customisation or local variations

- *Sharing*: Move appropriate processes into shared functions or 'best models of working' – enabling business units to concentrate on delivering core business.
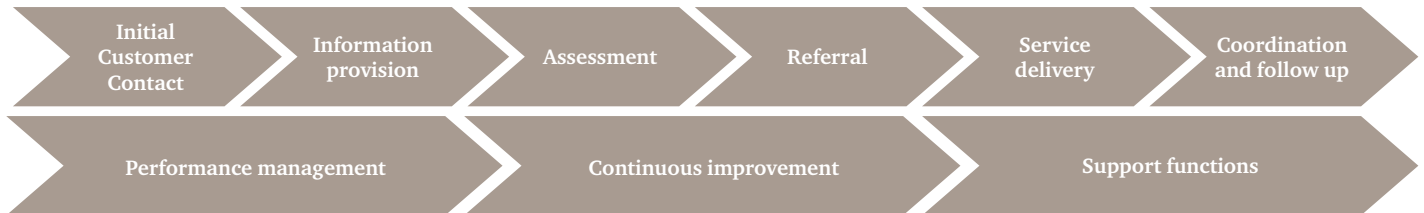
Key benefits of this first stage include standard process design (re-usable process components to embed consistency in customer contact and to increase efficiency in design and implementation), continuity between business process design and front office system configuration, sizing and structures identified by release and technology requirements and procurement process embedded into the model.

A consistent theme to Front Offices is the fragmentation of customer contact and duplication of processes. To achieve the objectives of streamlined entry and consistent assessment processes, Departments and Agencies should understand their service value chain in order to develop simplified, standardised and new target operating models.

It should be noted that prior to developing the new operating model that the service types needed by the citizens have been identified (in some instances an access point may refer a citizen on for a specialist or comprehensive assessment for example, obtaining an older drivers licence may require an individual to undertake a medical examination). A standardised organisation-wide process model is key to the successful implementation of new ways of working underpinned by simplified and standardised processes delivered through the right target operating model for the organisation. This cannot be achieved through normal business process reengineering.

Potential Efficiency Gain

Best Models of Working & New Target Operating Models

Further 3-5%

Standardise

Further 3-5%

Simplify

Initial 5%

Frontline Operations & Strategic and Support Services

Initial Customer Contact → Information provision → Assessment → Referral → Service delivery → Coordination and follow up

Performance management → Continuous improvement → Support functions

There is compelling evidence across Local Government for the need to address the challenge of process duplication and fragmentation in customer contact. Our UK experience with transforming local councils suggests that even the most efficient councils we have worked with have a tendency to duplicate and fragment common font office processes that can and should be streamlined. Typically we have found:

- On average, 8% of total staff time is spent managing initial contact

- The number of FTE's involved in initial customer contact in some cases is as high as 13% of all Council resource

- Enquiry Handling happens in 64% of council functions

- Processing Requests happens in 45% of council functions

- There is an average of 119 IT systems supporting the Enquiry Handling process in Local Authorities.

How will you transform the way your organisation operates and thinks about customers?

Step 2: Once access points have been identified across the entire service value chain, channel optimisation can occur. Addressing these challenges will reduce transaction volumes through traditional channels shifting them to cheaper, self service platforms. This can be achieved while addressing failure demand and improving customer experience across access channels.

Reduced contact can be achieved through increased self service, increased customer satisfaction and consistency between web, telephone and face to face channels. Customer insight is used to inform which customers are likely to change their behaviour and channel shift. An access strategy and channel configuration plan is developed to inform the organisation how to organise and structure the business in line with what customers need and want. A coordinated approach across all channels: This is critical, for example; migrating people away from a high cost channel such as face to face must be supported by providing the right level of services for these customers on alternative lower cost channels.

Step 3: Customer insight is used to inform the optimal mix of face to face access points, considering customer needs, customer channel preference and geographical spread of access points. A compelling evidence base needs to be created to support recommendations on the rationalisation of existing access points or the investment in existing access points. Opportunities to leverage existing outreach facilities should then be examined, including (if applicable) co-location with partners. This can results in capital receipts from asset disposal, reduced staff and running costs.

Step 4: Improve customer satisfaction within remaining access points (refer to section 1 of this paper).

Integration Considerations

Embedding and sustaining change while transforming your organisation

Public sector Departments or Agencies are facing increasing pressure to deliver broad, complex services efficiently, effectively, equitably and through integrated service delivery models to enhance the citizen experience. This shift involves rolling out innovative channels and integrating these channels to provide *One Stop Shop* services in multi channel environments. These citizen centric services deliver a tailored service to the degree of personal detail and relevance desired by the citizen or customer. This new service delivery model takes into account varying access point consolidation across the service value chain, while considering the varying channel needs and preferences for differing citizen segments.

Delivering tailored, citizen focused services requires transformation at all levels of the organisation with the objective of empowering both staff and customers within individual agencies and across public sector Departments or Agencies. Citizen centric services cannot be created and sustained without cultural changes taking place. A number of risks are expected from a citizen focused service transformation project. These risks and their associated impact to the program of work are outlined below.

Risk	Impact
Resistance within Departments to change/ migrate processes into a front office/self service environment	• Delivery time and effort deflected to resolving resistance. Failure to develop the optimal design and stretch the ambition of the Department in terms of citizen contact and assessment. Front line staff are not empowered and viewed by the Department as separate entities
Failure to communicate and disseminate change to culture within the Department	• The Department does not understand why the changes are being made, how they will be made and what it will means for them and their customers
	• Without these messages being clearly articulated from senior leaders, staff are less likely to support and engage with the project, often resulting in delays and deflected effort managing resistance within the Department
Failure to utilise customer intelligence within the design and configuration of customer access channels	• The design and solution is organisationally driven, failing to deliver the right solution for citizens. The design and solution fails to consider the future demographics and channel evolution facing the government and its citizens
Failure to identify the real benefits associated with citizen focused service transformation	• There is continual scepticism within the organisation about the actual benefits achievable from the project. This can manifest itself the form of resistance to change
Developing service specific designs, thus losing consistency and efficiency in customer contact across the Departments	• Designs are purely driven by services which indirectly drives further fragmentation, duplication and over-staffed processes
	• Without a common overarching approach to standard process design, Departments will not standardise, share and simplify customer contact and assessment processes

Risk	Impact
Becoming a technology/CRM led project	• The IT function fails to translate future state process designs into enabling technology solutions. As a consequence technical solutions evolve in a different direction, driving the change within the business, rather than the desired design
Failure to translate process designs into configurable front office systems	• Technical solutions evolve in a different direction to the service design specifications and stakeholder and business users receive a solution different to the one they have supported to design
Failure to actually drive channel shift, monitoring and influencing the impact of campaigns	• Investment is made in the development of access channels but there is not sufficient time, resource and expertise allocated to incentivising and communicating with citizens to drive the necessary change in channel usage
Failure to link the organisation's design and HR processes to the benefits realisation plan	• The required organisational design is not delivered in time and to the required standard to deliver the targets savings

Source: PwC – Customer focused service transformation Qualitative Assessment

Some barriers to change exist within the public sector, one being hierarchical Departmental silos suggesting that any changes to the people agenda will typically take a long time to put into effect. Furthermore, any mention of change results in the focus of the change effort stemming solely from the frontline; hence the back office may not necessarily be aligned with the new strategy. Additional challenges present themselves in the construction, delivery and implementation of the new operating model whereby the skills and capabilities required to manage the challenge of citizen centric Departments or Agencies are in short supply and communication efforts are not always given sufficient prominence. Consistency of service delivery, reducing redundancies and customising services and interactions requires a fundamental cultural shift. Addressing these factors requires a comprehensive approach to transformational change.

To overcome these barriers to change and anticipated risks, and to get started on the journey of embedding and sustaining transformational change in any Government Department involves a number of key success factors. Our experience with access point consolidation, research into successful *One Stop Shops* combined with our Making Change Stick methodology has identified 10 summary level factors proven to be successful as evidenced by our involvement in multiple government transformations across the globe:

1. *Create a vision and clear strategy*
2. *Communicate with a purpose*
3. *Collaborate effectively*
4. *Lead by example*
5. *Focus on quick wins that make a difference fast*
6. *Measure and monitor success to consolidate improvements*
7. *Empower staff to build a hunger for success*
8. *Ensure that systems, processes and culture reinforce the change*
9. *Encourage innovation and new approaches*
10. *Ensure sustainability*

Create a vision and clear strategy

Shifting the focus towards a *One Stop Shop* mindset requires a vision, strategy and policies to evaluate effort and define the future service delivery model and transformation roadmap. Creating a vision helps to direct the change effort and create a shared understanding of what success looks like for citizens, customers, stakeholders and employees. Without a vision, a program can easily dissolve into a list of blurry and incompatible projects that can shift departments in the wrong direction.

....

"If you can't communicate the vision to someone in five minutes or less and get a reaction that signifies both understanding and interest, you are not yet done with this phase of the transformation process."

Leading Change: Why Transformation Efforts Fail, John P. Kotter

....

How will you deliver on a promise that is both meaningful and relevant to your customers, employees and delivery partners?

Clearly articulating the change and the associated benefit of the change is a priority within the boundaries of public sector transformation. The goals set by policy-makers and the instruments used in the policy making process are important parts of the change process. They can ensure strategic clarity and stakeholder buy-in and become vital communication tools. A whole of government vision for citizen centric *One Stop Shop*s is extremely broad and we therefore suggest that focus is dedicated to this area of the program before progressing to subsequent stages of the transformation agenda.

Even if the general public agree with the policy around the *One Stop Shop* concept, it is still necessary to build consensus around the implementation and vision of the policy through a detailed roadmap. The roadmap outlines elements of the *One Stop Shop* program that need to be undertaken immediately and those that can be achieved at a later stage. The roadmap should also include (not limited to) a change management plan, benefits realisation plan, risk management strategy and outline key governance and capacity building processes, migration strategy to new architecture.

With changing citizen expectations, it is imperative to plan for future trends in service requirements beyond the current operating model, requiring long term planning and strategy development. Such planning helps to balance the tension between Government Departments' obligations of being a service provider, regulator, enforcer, amongst other things, and the requirement of delivering value for money services to citizens.

Designing the best fit change approach involves identifying early in the project, a rich tapestry of technical options ranging from change approach styles to intervention strategies and techniques which can be brought to bear with considerable impact. Defining the change approach best suited to the situation also maximises the likelihood of achieving successful and sustainable change.

Communicate with a purpose

Identify the response you want from your audience, what you want them to know, think and feel. Use the right message and media to achieve those outcomes. Governments cannot assume that citizens and stakeholders are knowledgeable about the channels available to them, technologies and their uses as part of the new operating model.

The last Customer Satisfaction Survey undertaken by DPC of NSW Government Services (2008) identified 'Communication and Information' as a key driver of satisfaction. Attributes identified as underpinning this driver included (1) How easy information was to understand, (2) How accurate information provided was and (3) The extent to which all information required was provided. Acceptance and use of new service delivery mechanisms including online and alternative channels will only be realised if supported by customised awareness campaigns, in which messaging and communications cater to specific needs of various segments and are customised accordingly.

Even if citizens disagree with the policy and associated assessments, they can at least see that they are consistently applied. Successful communications will leverage all existing communication channels to relay the vision. Examples include changing standard newsletters into lively articles explaining the transformation and refreshing generic training courses that focus on business problems and the new vision. Executives need to 'walk the talk' in order to become a living symbol of the new culture. This means transitioning behaviour to a citizen oriented manner. Furthermore, consistent branding across all Departments ensures uniformity of messaging about the new structure and model.

Service Tasmania works in collaborative partnerships to deliver services on behalf of them via counter, telephone and online channels. It has partnership contracts with statutory authorities, GBEs and State Owned Companies as well as Commonwealth Government organisations and Local Government Councils, a bank and a not-for-profit community organisation to deliver services. There is day-to-day inter-jurisdictional collaboration across all levels of government to ensure that partnership arrangements are operating effectively.

Collaborate effectively

A stakeholder is a person, group, organisation, or system who affects or can be affected by an organisation's actions. It includes citizens, customers and staff but also includes suppliers, partners, local and state government, media, politicians etc. These stakeholders act as part of an integrated value chain as partners and suppliers to Government Departments or Agencies, receive feedback from citizens and customers on these integrated value chains and have a significant influence on the perception of the Department or Agency. Other players in the market such as private, voluntary or community sectors have a strong influence over citizen perceptions and attitudes, therefore, collaborating effectively with stakeholders across the value chain and building partnerships with them will enable the market to deliver the objectives of your transformational program.

Effective supplier selection and integration becomes important and will secure delivery of the program benefits. A number of partnership styles have been adopted in the public sector (listed in table below), each with tradeoffs across benefits and challenges. The Shared Services model continues to be the most commonly used model in the public sector where transaction based processes are centralised and standardised to ensure that services are delivered as efficiently as possible. Although centralisation of back office functions such as HR, IT and Finance is common in this model, middle and front office functions can benefit too. While shared services can create process efficiencies, successful execution requires a high level of management oversight.

Public Private Partnerships (PPPs) involve contracts/partnerships to procure solutions and appear to be fast growing elements in public sector procurement. Benefits of this model include shared risk across the public and private sectors, the introduction of private sector skills and innovation and accelerated solution. However, a clear challenge of this model is the inflexibility of long term contracts and the availability of skills and resources in both sectors.

Outsourcing enables Departments to focus on the delivery of their core competencies while transferring other business functions to a 3rd party provider(s). If managed stringently, outsourcing can result in significantly reduced costs (capital) however administration costs of these partnerships can offset these efficiencies.

The final model of public voluntary sector partnerships can be highly collaborative and supportive in that NGOs and voluntary sector Departments or Agencies will typically have comprehensive knowledge of the challenges faced by citizens, in addition to the optimal ways in which solutions can be delivered.

Example collaborative partnerships:

	Shared Services	Public Private Partnerships (PPPs)	Public Voluntary Sector Partnerships (PVSPs)	Outsourcing
Nature	Centralisation of transaction based processes	Contract based/partner based solutions	Working partnership with voluntary sector and NGOs	Transfer business functions to 3rd party provider to deliver
Benefit	Cost, quality and timeliness	Shared risk, introduction of private sector skills and innovation, benefits delivered to agreed SLAs, accelerated process	Support the government agenda of increased supply of public good and enhanced welfare of citizens. Provide distinct information advantage over government. Profit is reinvested into service delivery not shareholders.	Enables Department to focus on the delivery of core competencies, reduced cost, access to best practice, less capital expenditure required
Challenge	High level of management oversight required	Resource intensive, inflexibility of long term contracts		Strong performance measures required, high administration costs of contracts, intensive management of relationship required

Source: PwC Public Sector Research Centre

Successful partnerships need to be agile to change. Long term partnerships require strict assessment against contractual obligations. For the public sector, the management of stakeholders' expectations can represent a significant challenge. Because these expectations are frequently based on perceptions of what best practice should be (rather than on quantitative measures of responsiveness, efficiency and effectiveness), a gap can open up between what can realistically be delivered and what cannot. Therefore a clear communications strategy that reaches out to all stakeholders should be designed. Quantitative service-level agreements (SLAs) should also be communicated and strategies should be based on the adage 'under promise, over deliver'.

Citizens are stakeholders too and need to be engaged whenever a policy change is being launched. This should be included as an integral part of the implementation plan. As citizens must be engaged as participants in service delivery, they too must be engaged in policy development that determines the new service delivery model. Two way communication should be facilitated to ensure aligned between government and citizens.

Enable true leaders and ensure commitment

Often when there is a disconnect between policy and delivery arms of some public sector Departments or Agencies, the consequence is that policy is developed without proper consideration of how it will impact service delivery. Leaders of public sector Departments or Agencies need to recognise this issue by becoming more involved in service design and delivery. This will also help set the tone from the top down, demonstrating how success will be judged and rewarded from the cultural and capability building perspectives, as well as from a process perspective.

Decision making in the public sector can often be distinguished by (1) the complexity of the decision making process (especially when decisions impact a number of different agencies) and (2) a level of hesitation amongst public sector employees where taking ownership of a decision is concerned. Experience suggests that in any large organisation (private or public), organisational scale and complexity can breed a 'not invented here' mindset. At the same time, the hierarchical silos of such large Departments or Agencies encourage individuals to 'cover their backs' suggesting that the ownership of an issue can become lost. In some public sector Departments or Agencies, there may be a high level of emphasis placed on the process through which decisions are taken, particularly in the fields of regulation or enforcement. As a consequence, because decisions may need to pass through multiple levels of hierarchy, delays in implementation can sometimes be unavoidable.

Some public sector Departments or Agencies have addressed this situation by putting in place institutional structures designed to around citizen-centricity. Design choices such as the functions and/or processes to perform internally versus which would be best performed externally should be considered. Additionally, leadership and governance structure required to achieve transformational change should be mapped. This includes collaborative governance structures for leaders from all parts of the Departments or Agencies involved in the *One Stop Shop* to ensure ongoing engagement and to manage any risks and issues that may arise.

Senior leaders need to remain highly visible in their commitment to the program in order to and provide sustained support for the program. Role models, coaches and idea champions should be identified and widely leveraged.

NYC 311 – 3-1-1 provides the public with quick, easy access to all New York City government services and information. In adherence to Local Law 47 of 2005, the Department of Information Technology and Telecommunications (DoITT) issues monthly reports to the City Council, the Public Advocate, Community Boards, and the public about data collected by 311. Sharing their data supports transparency and accountability.

Focus on quick wins that make a difference fast

Identify, implement and communicate quick wins. This will generate confidence that change is possible, build momentum for the project and galvanise the stakeholders. Major change can take a long time to fully implement during which time urgency and engagement levels can drop.

Commitments from the Departments or Agencies to produce quick wins will help to keep the urgency and engagement levels up and encourage detailed planning that clarifies the initial vision. Pressure to achieve short term gains can be extremely helpful throughout the change process. Our experience tells us that successful transformation involves the identification of performance improvement initiatives, with clear goals, timeframes, and rewards for achievement.

Adopting a phased approach to implementation of the new operating model should outline the services that will bring immediate value to citizens in order to achieve early engagement from citizens. Additionally, those services that can be delivered at low cost and low risk using existing technology and processes should be prioritised. The phase 1 of the implementation should be centred on the early adopters in order to create champions for change at the onset of the program. Achieving quick wins will enable any Department of Agency to reflect on the success factors and learnings from initial phases in order to refine the implementation of subsequent phases.

Measure and monitor success to consolidate improvements

Keep the business benefits at the heart of change – this involves ensuring that all change is initiated by clear business benefits and that these benefits are continually reviewed, tracked and, where achieved, celebrated.

When implementing new service delivery models, the 'tipping point' for change may not be realised immediately. Given these sometimes long lead times, investment in any change should be viewed as an ongoing process. It is therefore important to ensure that there are incentives in place for existing staff to be involved in some aspect of the new operating model. This will drive involvement in specific issues right from the outset. Not only does this drive employee involvement, but also broader stakeholder involvement through regular updates on progress in the achievement of the envisioned results. Engaging with customers through open government (i.e. transparency, accessibility and responsiveness) will build trust amongst citizens. This will play a vital role in ensuring the sustainability of projects on the long term.

Governments must take a holistic approach to performance measurement and monitoring by combining citizen feedback and operational data to provide a balanced view of performance. Performance information communicated to the public should be focused on the desired outcomes for the community and customers, not only around the Departments or Agency. This approach provides a view of what is succeeding and what is not from the citizen's perspective. Government Departments need to understand public perceptions and concerns and provide an open, two-way flow of information to address these concerns.

It is important to define and agree a balanced set of measures that can be used to define what success looks like, gauge whether success has been achieved and identify what might need to change to get there. Monitoring and tracking performance of service delivery transformations requires development of key metrics that will be essential to the effective governance and support of the transformation program. Metrics should be incorporated at (1) the strategic level such as KPIs and targets to monitor success of service improvements, (2) the operational level linked to management responsibilities and operations at the whole of government level and (3) tactical level which measure performance at the process level within the Government Department. Performance management systems should be build that explicitly link long term strategic objectives to annual strategic goals and specific short terms deliverables with accountable executive owners known across the Department or Agency.

Metrics are key to driving behaviours. To support the right behaviours, some tactical initiatives include for example, incentivising peer to peer communication and cooperation and planning, developing and implementing training covering both requirements from initiatives and desired behaviours. A 'top-down' approach ensures that there is focus on what 'should' be measured rather than being constrained by what 'can easily' be measured. The achievement of the metrics needs to be support through ongoing coaching. Coaching conversations start broad with the person then narrow to discussions of development, progress and performance.

Empower staff to build a hunger for success

Through involvement, build a hunger for success. Work with people who will either implement the change or will be impacted by it. Make sure that they are appropriately engaged in what success will look like in practice and what it means for them.

Engage the frontline, before, during and after implementation of the new operating model. Reform of public services to deliver citizen-centric services through a *One Stop Shop* can only be achieved with the commitment of a highly motivated, flexible and skilled workforce, capable of providing high quality, personalised public services. This can be achieved by instilling customer centricity in the DNA of the Department or Agency so that the change is embedded in the organisation long after the program is complete. The overall approach for the change should be inclusive – make an emotional connection with employees in order gain their buy in. This can be achieved by:

- Defining key interventions that have an impact of customer service from the employee lifecycle
- Engaging the frontline staff in the customer journey
- Co-designing change initiatives with the frontline staff
- Implementing initiatives to drive customer improvement and aligned culture
- Realising the benefits of an effective customer centric culture.
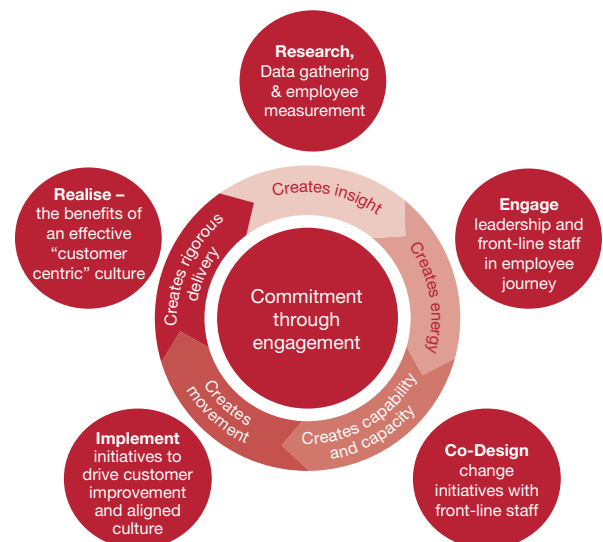
Source: PwC Employee Engagement Model

Making the public sector a preferred workplace, can be a powerful driver for public sector empowerment and competency, encouraging motivated individuals to join and remain with the Agencies or Departments. This means creating environments where the brightest and best of each generation want to work in public services. Staff should be given the opportunity to demonstrate their potential and should be given sufficient responsibility at an early stage. Incentives must be provided for innovation, collaborative working and excellent service delivery. Also, indicators need to be defined to measure the performance of all employees so that systems are meritocratic. This is vital is management of these new models of service delivery is to be in any way sustainable.

Service Canada – A key strategic objective of Service Canada is building a culture of service excellence by supporting its people, encouraging innovation, and building the leadership and capacity to provide citizen-centred service. This objective is being pursued in part by training staff across the country on how to deliver one-stop service, designing a career development program in the sphere of service delivery and establishing a Service Canada College, recognizing service excellence as a key competency for employees, providing an employee award program, developing an intranet site to locate tools and resources for staff in one place, and working closely with unions.

To meet these challenges, public sector employers need to focus on (1) effective job design that recognises the motivation of potential recruits, (2) attracting staff with the right skill-sets by building a positive, modern image of public services, with strong branding at the service values and ethos and (3) retain existing skills in the workforce and use individuals skill-sets effectively as part of the process of grooming internal talent to manage transformation. Understanding the balance of existing and new change skills, program management and technology skills required to deliver the new operating model is vital. A clear resource strategy should be developed that outlines the skills required, acquisition strategy and bringing together internal and external skills into an integrated team. Through effective incentives such as performance evaluations, career management based on skills acquired, individuals and team bonuses and flexible working, valuable knowledge transfer should be achieved and assists to engage staff throughout the transformation process.

A key feature of any high performing organisation is the requirement that there is alignment between the strategy and the organisation's skills and capabilities required to deliver the strategy. Capability or competency frameworks provide the key behaviours, skills and knowledge that individuals must demonstrate in order to work effectively in delivering the organisation's strategy. High engagement cultures can be defined by the connectivity between senior leaders and staff, credibility of the senior leader and contribution of the staff to achieving organisational success. Contribution strategies should cascade down the organisation levels and tailored accordingly. Initiatives such as increased visibility of senior leadership through 'walking the floor' activities, opportunities for feedback and transparent messaging through the Department or Agency encourage employee engagement levels.

Ensure that systems, processes and culture reinforce the change

Underpinning a well- networked matrix organisation requires re-engineering processes to enable and equip the various departments and people involved in service delivery to meet immediate customer demands and develop performance improvements and efficiencies. The issue involved with re-engineering should not be underestimated. It is very difficult to turn manual, paper based systems into automatic digital systems. This can be a major issue where the re-engineering is entrusted to the very staff whose roles will be threatened by the transformation. This combines with the systems integration challenge to complicate the delivery to stakeholders of integrated services.

Government process improvement, the latest technology and innovations are often overlaid onto outdated bureaucracies resulting in high integration costs and risk. Overcoming the challenges of linking front and back office activities more effectively can by greatly assisted by technology but this alone does not facilitate a truly citizen-centric approach to operating. Establishing a well networked, matrix organisation can empower people to innovate and experiment while retaining appropriate levels of accountability and risk management. How this looks in practice will vary depending on the maturity of each Department or Agency.

The delivery of effective public services cannot be achieved via technology alone – this requires wider transformation. Our experience suggests that key features of organising to improve performance are around the structure (i.e. decentralised, delayering and project based work), processes (i.e. investment in technology, communication and new HR practices) and partnerships (i.e. outsourcing, alliances and partnerships). In the context of a *One Stop Shop*, this means aligning technology, process, organisation and people in all strategy towards providing a meaningful customer experience.

However, while technology should be used as an enabler of transformation, there are many examples of governments relying on the technology to deliver customer needs. Relevance and engagement may be key aspects of the customer experience for some citizens, especially for social services where personalisation is important. The benefits of technology cannot be completely realised without re-engineering the wider processes involved in delivering a service. Desired changes in the quality of service delivery cannot be achieved simply by applying technology to inefficient processes.

Encourage innovation and new approaches

Innovation is the key to the public sector's ability to continuously deliver on its customer promise. There is at times, the perception that because public sector Departments or Agencies do not operate in the same competitive environment as the private sector are not subject to the same bottom line criteria for success and failure which drive private sector innovation. This is a myth. This perception is no longer valid for a variety of reasons, including increased customer awareness, higher political imperatives for performance and the need for international competitiveness. The starting point needs to be the development of a mindset that encourages continuous improvement as a strategic objective.

Innovation and continuous improvement are both key to the sustainability of government transformation. The harvesting of best practices from both the public and private sectors will play a vital role. By introducing benchmarking programs, the public sector will be able to identify innovation initiatives which have already delivered value, as well as gaining insights into how best to introduce these initiatives and adapt them to their own needs. As new initiatives are developed, benefits realisation planning will provide a baseline from which to assess their success and from the outset, regular customer evaluation and independent feedback will enable public sector Departments or Agencies to include their stakeholders in the development of initiatives which result in continuous improvement.

Our experience suggests that, by using knowledge of developments elsewhere, public sector Departments or Agencies can continuously improve their own service delivery models – not by trial and error, but by selecting proven examples of best practice from around the world. Understanding learnings from Governments and countries that you aspire to emulate and whether the service environment is comparable (i.e. similar regulation and legislation under which the services are delivered) is vital. The extent and success of innovation would be a determining factor in achieving increases in quality of services and cost of services. Similarly, enabling frontline staff to be part of the solution is a major driver of innovation using techniques such as innovation portals that capture ideas throughout the organisation.

Ensure sustainability

Change management strategies need to focus on what achieves sustainable change, right from the very outset. PwC's Making Change Stick framework is about how to design and execute accelerated and sustainable change programs that deliver sustainable benefits long after a transformation or change program is finished. It involves having a change approach that:

- focuses on achieving those benefits and sets up measures to track them

- encourages the involvement of the people who will deliver the change in practice; ensuring purposeful communication and balancing those activities that should be driven from the top, and those built on the ideas and successes of the teams on the front line

- builds sustainability by embedding new ways of working into performance management and training processes.

Government structures need to be amended as the project moves into the business as usual phase to ensure that responsibility for project functions is built into existing structures. Additionally, project functions need to be clearly defined before the project team disbands and passes project responsibility to operational managers. Training experts in the program methodology, operating model and new processes should become an ongoing priority for the Department or Agency if project gains are to become sustainable.
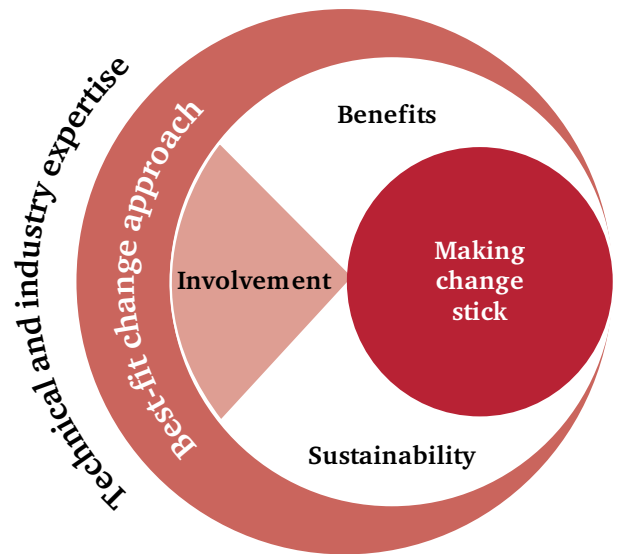
How will you make change stick?

Conclusion

Public sector transformation is a challenge however it is one that must be addressed. This paper has highlighted the scope of the challenge, and the issues that need to be considered in order for public sector Departments or Agencies to successfully deliver a better customer experience to their citizens.

There is no single 'correct' approach for undertaking the transformation of public sector service delivery. Although there are a number of common trends, as well as a number of challenges faced by public sector Departments or Agencies around the world, the responses will vary depending on individual contexts. What these responses do share in common is however, the need to focus on delivering better customer experience for citizens, thereby ensuring that they can achieve better outcomes from their interactions with the public sector. They also share the need to provide a value for money solution, redefining their role of the public sector in society, leveraging private sector best practices and expertise and using technology as a key enabler of change.

Consequently as we have explored, the key principles for governments in adopting a customer centric *One Stop Shop* service delivery model, provided a practical way in which to design a target operating model and outlined 10 key summary level factors proven to be successful in large scale transformations. A key theme running throughout this paper is that, for public sector Departments or Agencies to undertake successful transformations, they need to address each of these five elements in a cohesive and balanced way, while considering the implementation considerations as underpinning these, rather than adopting a piecemeal approach to change initiatives.

Core Principles

| *Listen to your customers* | *Break down the silos* | *Enable a multi channel service experience* | *Continuously improve through customer feedback* | *Set customer centric service standards* |

Integration Principles

| *Create a vision and clear strategy* | *Communicate with a purpose* | *Collaborate effectively* | *Lead by example* | *Focus on quick wins that make a difference fast* |
| *Measure and monitor success to consolidate improvements* | *Empower staff to build a hunger for success* | *Ensure that systems, processes and culture reinforce the change* | *Encourage innovation and new approaches* | *Ensure sustainability* |

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